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THOUGHTS ON A HUMAN SETTLEMENTS POLICY IN AFRICA: THE LAND PROBLEM IN URBAN AREAS AND HOUSING PROGRAMMES FOR THE MASSES

SUMMARY

The majority of urban settlers in most African countries have low incomes and cannot afford the considerable capital outlays required to purchase a house. However, it seems that if they had the opportunity of purchasing land, low-income earners would be able to provide themselves with reasonably adequate accommodation. The ubiquity of squatter settlements in developing countries is proof of this. This fact brings into sharp focus the 'land factor' in the complex of policies and strategies for housing low-income groups.

The policies and strategies applied by most African countries and plans for allocating land for low-income housing vary from country to country for various economic, social and political reasons. All African countries have introduced land policies, whether inherited from colonial law or elaborated after the countries became independent. Land problems are still issues in most African countries; hence the decision adopted in resolution 4 (II) by the Joint Intergovernmental Regional Committee on Human Settlements and Environment at its second meeting, held in Addis Ababa from 16 to 19 January 1984, to call for the development and allocation of land to build housing for the economically weaker sections of the population.

In this document the secretariat of the Economic Commission for Africa analyses the land problem in the urban areas and housing programmes for the masses. The document is in five main parts. The first part introduces the land issue in human settlements policy and identifies areas requiring attention in the interest of an orderly use of land in urban areas.

The second part reviews the development of land tenure systems in Africa in the light of experience in nine African countries. That review brings out all the efforts made by those countries to find appropriate solutions to the problems posed by the control of land in their human settlements policies.

The third part presents an overview of land policies for housing low-income earners. The analysis is based on two sets of experiences: the sites-and-services programmes and unserviced site programmes.

The fourth part deals with the impact of land policy on housing policies. Analysis reveals that the high costs of land acquisition and the acquisition of the basic infrastructure and building materials used explains why it has been difficult for most housing promotion operations to succeed in African countries.

The fifth part is devoted to recommendations. Two types have been made, one national and the other international. Nationally, the recommendations hinge on measures to build up public land reserves, fiscal policy, credit policy, the involvement of the private sector in the provision of land, security of tenure for illegal occupants of land (squatters), intervention by public authorities in land prices and increased involvement of the public authorities in land development. At the international level four recommendations have been made namely, the establishment of a data bank, the exchange of information and experiences, the training of manpower and the implementation of pilot projects.

I. INTRODUCTION

1. The establishment of human settlements man implies the modification of man's geographical environment to create a habitat where various economic, social and cultural functions can be carried out. Such functions are area-specific and require particular uses of the land; hence it is necessary, to draft a land policy to permit the installation of facilities without which the various functions cannot be carried out. The value of land is increased by development; public authorities often enhance the value of land in this way. Any land policy means controlling the cost of land and thus combating land speculation. The aim of any land policy is to secure control the land the better to be able to finance its development.

2. The use of land in human settlements is therefore central to the problems of town and country planning. All urban and rural activities, especially the growth of towns create a demand for land. Policies should ensure the rational allocation of land uses, taking current and future needs into account. The application of such policies must be based on a meticulous study of how many factors develop.

3. Human settlements planning is hardly conceivable without regulations and legislation to help the community control the land. Without adequate controls speculation on urban development areas can hinder or prevent progress on housing projects. Hence, in liberal-economy countries, the State reserves the right to limit the rights of individuals to private property if the land is required for public purposes. In the socialist-oriented countries with centrally-controlled economies, land ownership is collective but the State or owner community guarantees/individuals the right to use land under certain conditions.

4. In 1970 the meeting of the United Nations Group of Experts organized by the United Nations Centre for Housing Construction and Planning stressed the need to develop a new concept of land ownership where land would be considered as a natural resource. In that respect the primary principles of modern policy on urban land should recognize the social function of land and the obligation of the individual owner to society. 1/

5. Public means of appropriating land to make it available to all necessitate appropriate regulation by the public authorities of property rights and legal procedures governing land appropriation, use and administration. Hence it is necessary to carry out land studies and establish registers for the implementation of land policies especially to provide information on the status of individual plots and the uses to which urban development land can be put.

6. The price of land is the major obstacle to the operation and development of human settlements in many African countries. Its value depends on the type of soil, where it is located in terms of the urbanization process and the facilities constructed on it. Such factors give land formerly used for farming added value by making it suitable for the urban setting. There is hence a need to stress the importance of taking into account this added value as a crucial component in expenditure on housing and in the costs of services.

7. The public authorities in Africa have made considerable efforts in this area. However, the land question is still a serious impediment to the development of human settlements in Africa.

1/ Politique relative au sol urbain et les mesures de controle de l'utilisation du sol (E/C.6/118) (1971).

II. THE LAND ISSUE IN HUMAN SETTLEMENTS POLICIES

8. It is obvious that land is a fundamental factor in human settlements policies. It is,moreover, a limited resource, being impossible to manufacture except in some rare geographical settings. As population growth, urban and economic development have created a rapidly increasing demand land should be considered from the point of view, not only of ownership but also of the use made of it.

9. Although private land ownership is a strong stimulus to the investment upon which the growth and vitality of human settlements depend it is also said to be the cause of major imbalances such as speculation, excessively high prices for urban plots, shortages in t the areas where land is most needed and a disregard for the social uses of land. There is increasing and justified concern at the effects of this situation on housing and public services, especially for the least well-off segments of the population.

10. These concerns and the situation giving rise to them have generated increasingly strong pressure in favour of public ownership of urban land or at least, extremely strict controls on private ownership through the use of limitations, taxes or other restrictions.

11. All societies deem it indispensable for land set aside for certain purposes to be regarded as national property: for example, highways and transport systems in general, government buildings, educational establishments, health services, public utilities and parks. Planning requirements and the need to assign land uses properly may also result in the transfer of land from the private to the public sector. Public land ownership is considered a means of carrying out social and economic reforms.

12. Methods of recovering the value added to land by public works undertaken to permit its use for social and economic purposes are of particular interest. There are already various fiscal methods of doing this but their efficiency as well as that of other methods are yet to be studies. Methods of acquiring land for the public sector differ from country to country and often take the form of nationalization, expropriation for public bequests, confiscation, agreed purchase etc.

13. With respect to land ownership and utilization, African countries need to :

(a) Promote integrated planning of future land requirements for human settlements, paying particular attention to the various possible uses, potential effects on the environment and needs of the population;

(b) Analyse experience with the direct or indirect regulation of land use in human settlements, focusing particularly on how to eliminate misuses of private property, facilitate the transfer of private property to the public sector and use the added value of such property for the good of the community;

(c) Evaluate the impact on land use of adopting various human settlement schemes, systems of infrastructure and transport and building techniques.

III. DEVELOPMENTS IN LAND TENURE SYSTEMS IN AFRICA

14. Land tenure systems in Africa are complex and diverse. In almost all traditional societies south of the Sahara the land belongs to the community. There are certain features of this communal land ownership which are common in all these societies:

(a) Rights to land belong to a group generally the one that first settled in the zone. The head of the group exercises trusteeship functions over the land rights for the benefit of the members of the family;

(b) Individual members of the group have distinct rights within the group rights and arise automatically by virtue of their membership of the group and not out of contract;

(c) Strangers can acquire proprietary rights under specific contractual arrangements with the land-owning group.

15. This is the origin of private land ownership in African countries. Although the various land reforms introduced may represent major developments in the traditional system of land tenure, they have not really definitively addressed the problem of private land ownership, especially in urban areas. They are mostly the outcome of social changes which in turn are the outcome of the successive political interventions throughout history. In the Arab countries of Africa, Islamic laws have influenced land tenure. In the former French colonies the influence has been the Napoleonic code; English common law and legislation have profoundly influenced the former British colonies. The descriptions of changes in land tenure systems in some of the African countries named below give an idea of the extent of the problem in the African region.

Senegal

16. The characteristic feature of the land tenure system in Senegal, as in most sub-Saharan African countries, before the colonial era was communal ownership. Land was the common property of the family, village or tribe. However, Senegal's relations with Arabo-Islamic civilizations on the one hand and European ones on the other resulted in the introduction of two notions: the collection of tributes: tithes of religious origin; and private land ownership.

17. The spread of tribute or levies in a country with a social structure reflecting long-standing community traditions sparked off a process of social disintegration which evolved towards a feudal type of society. France's contribution was the introduction of the notion of private property, itself inherited from Roman law, in its colonies.

18. The first attempt at reforming the land tenure system in Senegal was in 1904. The decree which was promulgated made vacant land which was not owned by anybody the property of the State. Customary law did not recognize the right to transfer property but did recognize the right to develop land and harvest crops. The second decree was passed in 1935 and extended state ownership to all lands that had not been developed during the previous 10 years. In 1955, another decree introduced the notion of registration

in order to establish that there were no claims on any State-owned lands.

19. Gradually, therefore, private ownership of land was developed especially in the few urban areas.

20. After independence, because the system of land ownership in the rural areas was feudal and there was land speculation in the urban areas the Government passed a law on public property in 1964. There are now four overlapping categories of land:

(a) Land classified as public property;

(b) Land that is not public property but registered in the name of persons other than the State or in the process of being so registered by virtue of transitional legal measures;

(c) National land registered in the name of the State;

(d) Unregistered national land which is not the subject of current registration proceedings and may or may not be for agricultural purposes.

21. Thus currently about 95 per cent of all Senegalese land has become the property of the nation.2/

22. This law on national property in Senegal, controversial though it be, is nevertheless an effective instrument for the State, which is able to make enough land available for most urban and even agricultural projects without having to deal with high expropriation costs.

Ghana

23. According to E. Acquaye 3/ patterns of land ownership in Ghana may be grouped into two categories: the patterns prevailing in the centralized states and those prevailing in the non-centralized states of the South, the East and the North. In the centralized states which are dominated by the Akan tribal group, land ownership is communal. The chief of the tribe is regarded as the administrator of the community's land. Members of the tribal group can use the land. The same principles apply in the non-centralized states but the community is defined in a narrow sense to mean the family or clan which may be much smaller than the tribal group.

24. Through the Administration (Northern Territories) Ordinance of 1931, all lands were re-vested in the communities. When Ghana's third construction (which is currently suspended) was promulgated in 1979, such land had been returned to the communities. The Administration of Stool Lands Act of 1962 gave powers to the central Government to take over the management of all community-owned land in the country. The State Lands Act of 1962 also gives powers to the central Government to compulsorily acquire any land in the country and pay compensation to those affected. A Lands Commission has been established to hold and manage all public lands to the exclusion of any other authority.

2/ Ousmane Laye, Les parcelles assainies du Sénégal:une expérience d'habitat pour les économiquement faibles (IUP, Université Paris, Val-de-Marne, 1978);
3/ E. Acquaye and M.C. Murphy, "Land use, land tenure and agricultural development in Ghana" (FAO, 1973).

Nigeria

25. According to Okpala D.C.I. and Nwaka G.I. 4/ there are two types of land tenure in Nigeria: Communal land ownership prevalent among the Yoruba of the West and the Ibo of the East and the Islamic land holding system of the North. The land tenure system of the Yorubas and Ibos is identical to that of the centralized states in Ghana, in the Muslim north, land is believed to belong to Allah (God). The central Government has attempted to intervene in the system of land tenure since colonial times. The Land Use Decree passed in 1978 stipulates that all undeveloped lands in the 19 states of Nigeria are to hold in trust for the people by the state governments and administered for the benefit of all by specially appointed land allocation committees.

Uganda

26. Before 1900, land tenure in the Buganda region of Uganda was similar to that prevailing in Ghana and southern Nigeria with the Kabaka as the ultimate owner of land. 5/ In 1900, the colonial administration entered into the Uganda Agreement with the Kabaka which has significantly altered land tenure relations. That Agreement was followed in 1903 by the Crown Lands Ordinance and the Land Law of 1908 which limited the right of the Kabaka to certain lands only, regulated the right of tribal chiefs and land owners, allocated the administration of part of the lands to the State and regulated customary laws with respect to inheritance.

27. Since independence, land tenure arrangements have changed little. A Land Commission has been established to manage all State lands but this has left private interest in land untouched.

Zimbabwe

28. J.W. Harbeson6/ notes that before the independence of Zimbabwe much of the land was occupied by European migrants while the Africans were grouped into Tribal Trust Lands. Population pressure in such trust lands was very high; consequently, there were many small-scale farm units which lacked economic viability. The role of the tribal chiefs in their communities was undermined by several factors: land shortages reduced their ability to allocate farming units; land use rights became increasingly negotiable. On independence, the Government declared that the transformation of the land system was one of its central objectives. It pledged itself to achieve an acceptable and fair distribution of land ownership and land use. However, that political declaration does not appear quite to reflect the present-day situation since the Government of Zimbabwe has problems in securing land for implementing its development plan: according to Jürgen Duenbostel7/ although thus far enough plots of land have been earmarked for sale, the land actually availble for sale will definitely not be enough to implement the plan for new urban centres in its entirety. The Government is already behind schedule in its land purchasing programme and moreover two thirds of the money provided for this purpose has already been spent. It is still hoped that a pragmatic solution will be found to all these problems.

4/ Okpala, D.C.I., Accessibility Distribution Aspects of Public Urban Land Management: A Nigerian Case (African Urban Studies 1979; Nwaka G.I., "The Nigerian Land Use Decree", Third World Planning Review, volume I, No.2 (1979).
5/ West, H. W., "The Transformation of Land Tenure in Buganda since 1896," (1954).
6/ Harbeson, J.W., "Land and Rural Development in Independent Zimbabwe: a preliminary analysis" (1980).
7/ Jürgen Duenbostel, "Les problemes de développement du Zimbabwe", Revue développement) et coopération, No. 5 (1983), p.18.

Ethiopia

29. Mariam, N.W.[8/] estimated that in 1966 five per cent of the population of Addis Ababa owned 95 per cent of the privately owned land in the city. The preamble to the Government Ownership of Urban Lands and Extra Houses Proclamation No.47 of 1975) concluded that: "in order to bridge the wide gap in the standard of living of urban dwellers by appropriate allocation of disproportionately held wealth and income as well as the inequitable distribution of services among urban dwellers and to eliminate the exploitation of the many by the few, it is necessary to bring under government ownership and control urban lands and extra urban houses".

30. The aim of nationalizing urban land in Ethiopia was, therefore, to correct inequalities of the land tenure system in urban areas. This declaration was a follow-up to the nationalization of rural land (proclamation No.31 of 1975).

Cameroon

31. During the colonial period Cameroon had four systems of land tenure; three were in the part of the country under French administration and one in the part under English administration. The French-speaking part had:

(a) Uncorporated land belonging to the governmental and local authorities, mainly in the so-called European city;

(b) Private land registered in the names of Europeans and intended primarily for agricultural plantations;

(c) Customary lands administered by traditional Chiefs, in the native quarters and villages.

32. In the British-administered zone, all land was the property of the Crown but the natives were granted the right to make use of it.

33. After the country became independent, a commission was established to carry out land reform taking due account of Cameroonian realities; the commission prepared the ordinance of July 1974 entitled "land reform in the United Republic of Cameroon" which states that land is a gift of nature and that every Cameroonian may lay claim to a portion of Cameroonian land to take up residence and provide himself with subsistence. That reform established three systems of land tenure:

(a) Public lands managed by the State which the public may or may not be allowed to use and private State property which constitutes land reserves for operations of general public interest;

(b) Private lands belonging to individuals who have an ownership title; they are lands bought with ownership titles or national lands later developed by individuals;

8/ Mariam N.W., "Problems of Urbanization", Report of Proceedings of the International Conference of Ethiopian Studies (1970)

(c) National property made up of lands that do not fall under the first two categories i.e. the rest of the territory, especially customary lands. Such lands enable the State as they do individuals, to acquire land in the country either by expropriation (the State) with appropriate compensation or thanks to its division into lots for individual development operations. All these procedures come under the control of an advisory committee responsible for applying regulations in this area.

Togo

34. Elhadji Mohamed Diop[9/] states that before the arrival of the French in Togo in 1914 and during the German occupation, the Togolese land tenure system was regulated by the Grundbuch or German land register in which both private State property and individual property were recorded. When the French administration took over it rescinded the German law by passing the decree of 23 December 1922 which made the provisions of the decree of 24 July 1906, in adaptation to the French overseas territories of the Torrens Act, applicable in Togo to strengthen the rights of individuals to land acquired through succession or development. In actual fact the German land laws were not completely rescinded because the transitional measures of the French decree maintained land rights legally acquired under the German occupation.

35. After Togo became independent, several interministerial decrees and ordinances were passed by the Togolese Government to regulate the land tenure system, they included decree 71-141 of 24 January 1971 limiting the prices of building land and ordinance No.12 of 6 February 1974 establishing the public land tenure system applicable in Togo. The new law gives the State the right to purchase, to declare land necessary for public purposes, to expropriate land and pay compensation and to move out tenants for all urban development projects that are of general public benefit.

Algeria

36. Like most former French colonies, the land tenure policy in Algeria before independence was based on the Code Napoléon. Ordinance No.74-26 of 2 February 1974 on community land reserves allowed the State of Algeria to build up land reserves for the development of its towns. It also enabled the Government to acquire land through expropriation with compensation and by declaring land necessary for public purposes.

Botswana

37. The traditional land tenure system divided the land into three categories: building, agricultural and grazing land. Each inhabitant was entitled to a plot for building and for farming and, if he was a stock breeder, to grazing land. The inhabitants could use the land but did not have the right to sell it. Land was apportioned within the tribe by the chief. It is only recently that private land ownership has been allowed for housing operations. The Tribal Land Act of 1968 introduced the lease system for comeercial and industrial operations.[10/]

38. In the urban area there are two types of land tenure system:

9/ Diop, E. Mohamed "Le centre ville de Lomé (Togo): Evolution de la situation foncière et de la trame urbaine," diploma theses for ORSTOM. Geography section, 1983.
10/ Republic of Botswana, Report of the Presidential Commission on Land Tenure, (December 1983).

(a) Lands belonging to the State which may either be private State lands or lands leased to private individuals;

(b) Unrestricted ownership of land acquired before or after the independence of Botswana. The landed property established under the Protectorate was established to settle expatriates while that established after independence was aimed at encouraging the native population to participate actively in urban development. This type of tenure was established by the State and permitted private individuals to acquire land permanently from the State. Proprietary rights are hereditary, transferable and may be mortgaged.

39. This description of developments in land tenure systems in some African countries generally reveals an awareness of the importance of land tenure issues in any economic and social development policy. Although methods have differed from one country to another the objectives are the same, i.e. a more equitable distribution of land and especially control thereof for the implementation of development plans. While the socialist-oriented countries have adopted radical methods including outright expropriation, in other countries the intervention of the State has been limited to persuading private land owners to exercise their rights; this sometimes explains the delay in implementing some development projects in rural as well as urban areas. Since the public authorities are required to provide services and contribute to economic and social development, they have to establish policies that allow them easily to acquire the lands needed for development plans.

IV. OVERVIEW OF LAND POLICIES FOR HOUSING LOW-INCOME EARNERS IN AFRICA

40. After independence most African countries tackled the question of housing by introducing housing construction programmes. Such programmes, as we know, often came up against problems and initial objectives were rarely attained. Many projects had to be abandoned; in cases where they were completed the houses could be acquired only by middle- or high-income, never low-income families. When the 1979-1983 five-year development plan was being prepared in Kenya it was admitted that over the previous plan period only 8 per cent of the low-cost units planned were actually completed and these on the average cost five times what was initially estimated. In Nigeria, the 1975-1980 five-year development plan aimed at producing 202,000 housing units during the period. Enquiry into actual achievements shows that the essigned objectives are far from being attained despite heavy subsidies and most of the houses have proved to be too expensive for low-income families. In Senegal from 1960 to 1981 the State allocated 30 billion CFA francs to the two major housing agencies, the Société immobilière du Cap-Vert (SICAP) and the Office des habitations à loyer modéré (OHLM). The two agencies were able to build only about 17,600 housing units during that period. The Government of Senegal admitted in its sixty-four-year development plan (1981-1985) that difficulties with urban housing took the form not only of a slowdown in activity in the sector but also of an increase in housing costs which was often greater than the normal debt-bearing capacity of the average wage earner. It was because of such problems and the impossibility of producing houses for low-income people despite increasingly strong social pressure that new policies were introduced; the site-and-services or serviced-plot programmes and the unserviced-plot programmes.

41. All Governments realize that urban housing can be promoted only by encouraging mass participation and eliminating land taxes.

A. Site-and-service programmes

42. Serviced-site programmes have four major objectives:

(a) To clean up unhealthy housing zones by giving low-income earners access to better housing conditions in developed and equipped sites,

(b) To stimulate job creation by integrating employment-generating areas into the scheme, which will make it possible to increase substantially the income level of the people living on the site;

(c) To develop community organization through mass participation and self-build housing programmes;

(d) To set up an investment fund designed to finance the expansion of the programme to cover other sites or localities, this can be done with the net proceeds from the operation.

43. In a site-and-service programme, the State acquires land which is divided into individual plots with services such as access routes, piped water, electricity and drainage. Such plots are then allocated to low-income city dwellers on the basis of criteria defined before hand. The benfficiaries have to build their houses themselves; the State provides technical assistance. In the long run the State may recoup its investment in the services provided from the beneficiaries, charging a very low rate of interest.

44. Such programmes are useful in two ways: through them the State controls urban development; and the beneficiaries can build their houses at their own pace and call on their relatives for help.

45. Such a programme enabled the Senegalese authorities do develop 11,000 plots in Dakar and house about 110,000 people considered low-income earners.

46. African States are becoming increasingly aware of the need to establish such programmes as an alternative solution to housing low-income people. The Mission d'aménagement et d équipement des terrains urbains (MAETUR) has been set up in Cameroon with the same objective; the World Bank and the United Nations Centre for Human Settlements (UNCHS) have undertaken similar projects in several African countries. Even if such programmes do not provide the final solution to the problems of housing low-income earners they are at least an alternative which can undoubtedly help to eliminate unhealthy housing, the stigma of African cities, if carried out properly.

47. Despite the efforts African States have put into them, a considerable portion of the low-income population is still beyond the scope of all such housing programmes. The Senegalese authorities in Dakar have estimated that 20 per cent of the city's population is affected by the SICAP and OHLM housing programmes (see the proceeding section) 40 per cent by sites-and-services programmes and 40 per cent have no access to any of the programmes because of their income is too low. The growing trend in Africa

is to provide this portion of the population with unserviced plots, which reduces very considerably the costs of acquisition.

B. Unserviced-site programmes

48. In unserviced-site programmes, the State acquires land which it divides into individual plots, providing access to each, clears the land required for the later installation of services and amenities and distributes plots to the urban poor. There are two main ways of implementing unserviced-site schemes:

(a) By developing sites illegally occupied by squatter colonies or slums. In such cases, the settlement is up-graded by making all the plots accessible to a potential network of roads and drainage. The advantage here is that the people concerned can remain in an area where they have already acquired certain habits. They also gain a sense of security from owning their own houses on sites with facilities, if only the most basic ones. The major drawback is that the provision of general facilities is not automatic; similarly, clearing space for the installation of such facilities increases the number of persons to be rehoused.

(b) The creation of an unserviced scheme on a virgin site, i.e. an uninhabited zone. The prerequisite of such a development scheme is that the site should be suitable for housing. It is simpler to put into effect. Its advantage is that the plots have a more regular shape and this considerably reduces the costs of roads and sundry service networks. It has about the same drawbacks as the type of unserviced-site scheme described above, plus the problem of distance from job centres which also creates transport difficulties.

49. Generally speaking, although unserviced-site schemes offer a means of providing secure tenure of housing plots and plots that conform to town planning standards, they should be considered only if there are plans to build community facilities and sundry service networks in the near future. In other words, this type of scheme is not in itself a definitive solution to the problem of housing low-income groups. The danger of such a scheme, if some public services are not provided by the authorities, is that unsanitary conditions will gradually develop owing to the lack of inadequate drainage. The lack of controls over and assistance in building operations may lead to the construction of dangerous houses. The people that such schemes have in mind do not have enough income to meet certain costs: that is why the Government has to contribute to the provision of community facilities. Even if schemes of this kind do not include provision for building such facilities in the near future, the public authorities must be ready to meet the costs invowed in making them practical propositions.

50. The land tenure systems that are often applied to both site-and-services schemes and unserviced-site schemes are land ownership titles, long lease holds and permission to reside:

(a) The land ownership title: The State issues the purchaser with a private title deed. Although this type of property gives the purchaser a certain amount of security it also encourages land speculation;

(b) The long lease hold: The State leases the land to the purchaser for a very long period (60 to 90 years). The purchaser pays annual rent, the rates are generally not high but allow the State to collect annual ground rent which could be invested in the building of community facilities on unserviced-site schemes. Here the purchaser uses the land but does not own it. The State may control the land in this way, in order to forestall land speculation, the terms of the lease generally include a provision forbidding transfer of the land;

(c) The residence permit: The State issues to the purchaser authorization to occupy a plot of land free of charge but retains the right to take back the land when it needs it generally for public purposes. In such a case the State does not collect any ground rent but has direct control over the land.

51. When the agencies involved are public companies establish to acquire and develop land for housing low-income groups, they must ensure that the costs of acquiring land are kept low. If they cannot acquire land cheaply they can at least reduce outlays on developing it by parcelling it out very rapidly. They can also use a system of "crossed subsidies" to vary sales prices according to the incomes of the purchasers. The public authorities could encourage financial institutions to grant mortgage loans which they will underwrite so as to improve the solvency of low-income purchasers.

52. The net effect of public land reserves, the concentration of intervention on strategic land and the extent of such intervention will no doubt be to reduce the rise in prices of privately owned land. 11/

53. Regardless of prices, development companies will very often come up against other problems, associated with distribution procedures, in teaching the poor sections of the population. Preliminary inquiry into the social and economic circumstances of each purchaser will certainly help to better select the people concerned.

V. ANALYSIS OF THE IMPACT OF LAND TENURE POLICIES ON HOUSING POLICIES

54. The primary social function of housing promotion is to make available a stock of building land. Promoters often stress the fact that land is not like other raw materials and is not listed as a commodity since it cannot be reproduced; it is by its very nature, however, a rare commodity and thus differs fundamentally from all the other material factors of production. It can therefore be deduced that if land as such is not the result of productive activity it has to be transformed before it can be used productively.

55. The land market is a place where three groups of agents interact:

(a) Landowners who hold land as part of their assets;

(b) The Government, which defines the possible uses of land through development activities and regulations;

(c) Promoters and managers of real estate, who endeavour to transform land into a marketable commodity.

11/ Bulletin "Filieres de l'habitat" No.8 (September 1984).

56. The interaction of landowners, the State and real estate promoters which is usually called the land market produces limited or general price rises. The promoters fix housing prices at a level which yields a set return on the capital invested in the building. The overall cost of a housing promotion exercise is evaluated item by item and deducted from projected turnover. The items are:

(a) The cost of construction;

(b) Marketing expenses (financial charges on bank loans, advertising charges etc.);

(c) Related expenditure (architect, technical planning office, insurance, remuneration of the promoter himself as a supplier of services, miscellaneous taxes, etc.);

(d) Land charges such as acquisition costs, land development costs, rates and amenities etc.

57. One of the objectives of any housing policy is to eliminate poverty by up-grading unsanitary housing and reducing the social inequalities that may evolve among a given group of people. Taken as such, most housing policies in most African countries have failed because that objective is far from being attained. The task of housing present generations, not to mention generations to come, remains a daunting challenge.

58. Housing policies should be understood as part of the development strategies of African countries rather than mere social protection. They should, therefore, be integrated into national economic planning as a vital component of development. Whenever industries are established housing should be constructed for the staff. This would obviously forestall the springing up of slums near industrial plants as often happens now. The few examples in Africa of well-designed housing policies integrated into national development strategies have been relatively satisfactory. In the United Republic of Tanzania, Zambia and the Sudan the authorities have made efforts to integrate housing development schemes into national development strategies; these three urban housing projects are, according to J.E. Hardoy and Satterthwaite, among the largest on the continent in terms of the number of people affected. 12/

59. African States have sometimes tried to house low-income social groups by granting housing loans, at lower interest rates than are required for other types of investment, through divers State or para-statal agencies. These projects have not always attained their objectives, however, because of the credit restrictions imposed. Criteria for selecting credit-worthy candidates often exclude low-income groups and chiefly favour senior civil servants. This situation is not limited solely to housing agencies. In the financing of self-build schemes there is, in addition to creditworthiness, the problem of acquiring land. The prospective builders must already have acquired land by the time they apply for loans. The high prices of urban land serve as a factor for selection.

12/ J.E. Hardoy and Satterthwaite, D. (1982). "Public Housing Programmes are not working," The Courrier, No.74 (July-August 76-78).

60. No plot of land can be built upon unless it meets three basic conditions:

(a) It must have certain physical qualities, i.e. it must be relatively flat and have a sub-soil that can support the weight of buildings. This explains why it is important to carry out geotechnical studies before any decisions on town planning and building are taken,

(b) It must be well provided with road connections to the general highway network, and the roads must carry or be designed to carry public transport vehicles affording access to other points in the urban complex concerned;

(c) It must be easy to connect to public service networks and amenities such as electricity, water drainage etc.

61. Civic authorities have not been able to keep pace with the development of most African cities. Some of the major problems which housing and land tenure policies have sought to solve have been providing public services such as roads and other amenities and ensuring that the three basic criteria enumerated above for construction on any given plot of land are met.

62. Two USAID reports published in 1976 and 1977 indicated that only 20 per cent of the population of Abidjan, in the Ivory Coast, were served by systems of running water and sewers, similarly in Monrovia, Liberia, a third of all houses did not have water and sewage and a large number of low-income houses had been built on land with serious drainage and flood control problems. To remedy that situation low-cost houses were built on land with drainage systems and roads. Unfortunately, such serviced-site schemes benefitted only middle and higher income families because the costs of the serviced sites were too high for the low-income groups. 13/

63. Generally speaking the high costs of land, basic infrastructure and building materials account for the failure of several housing promotion schemes in African countries. The States of the region need to design a land policy which will enable them to build up stocks of free or cheap land and establish research programmes on the use of local building materials in housing programmes designed for both high-income and low-income groups.

VI. CONCLUSION AND RECOMMENDATIONS

64. The analysis that has been made throughout this document has revealed the difficulties that low-income earners face in obtaining developed land for housing. The land needs of low-income earners are growing increasingly acute as urban areas develop. Land is becoming the major stumbling-block in the low-income housing crisis. There is a pressing need for action to overcome this obstacle to the development of human resources.

65. Extensive measures have been taken in almost all African countries much, however, remains to be done because these measures are often piecemeal and difficulties in applying them show them to be deficient and ineffective. The course of action proposed below could help to solve the land problems in African countries, human settlements policies.

13/ USAID "Low cost urban shelter programme" (1976), USAID "Republic of Liberia Shelter Sector Analysis" (1977).

However, policies and programmes to provide land for housing low-income groups should be designed to meet the specific economic, social and political conditions of each country.

A. Action at the national level

66. Taking national measures to procure land for housing low-income groups is a delicate but essential operation. Any course of action involving land transactions must be preceded by appropriate and efficient administrative measures.

67. Seven main areas of action with respect to land for housing low-income groups call for national measures. They are:

(a) The constitution of public land reserves,

(b) Tax policy,

(c) Credit policy

(d) Involvement of the private sector in the supply of land for housing,

(e) Security of tenure for squatters;

(f) Government intervention in land prices;

(g) Increasing Government involvement in land development.

(a) The constitution public of land [illegible]s

68. State or local community control over land (the extreme case being nationalization of land) is not a sufficient condition for the application of low-income housing programmes, it is, however, a necessary one and experience has shown that housing programmes in Africa have often come to grief over the land obstacle.

69. The State must have two objectives in mind when building up land reserves: offsetting the trend towards appropriation of building land by a small number of people and thus limiting land speculation, and giving the public authorities the wherewithal to carry out their housing programmes.

70. Many African countries have passed laws on the expropriation of land for public purposes but such laws are mostly applied to acquire land for building infrastructure or public facilities. They may be expanded to cover the acquisition of land for low-income housing programmes.

71. In some African countries the State has simply nationalized land without paying compensation. The land market proper has thus been scrapped. The land is now allocated according to land use plans. Other measures may also be taken:

(i) Recording urban housing transactions,
(ii) Private acquisition of land by the community,
(iii) Permitting the pre-emption of urban housing transactions for the benefit of the community.

(b) Tax policy

72. Tax policy with respect to land for urban development should have two main objectives:

(i) Limiting land speculation

(ii) Building up resources which will permit the financing of public land acquisition schemes and the development of land earmarked for housing low-income groups. Part of the funds required for development and building operations must be raised against the value of the land.

73. Tax policy may take several forms: rates, tax on increased land value, taxes on facilities etc. The imposition of such duties may permit the Government not only to control private land but also to earn income for reinvestment in urban development.

(c) Credit policy

74. The aim of offering credit for housing to low-income groups is to permit such groups to have access to housing loans. To do this, the government must be able to underwrite the solvency of the purchaser, especially if there is any large measure of risk for the credit agency. The government should also oblige financial institutions to reconsider their terms for granting mortgage loans to low-income earners (mortgages on unserviced land, unfinished houses or houses built with traditional or salvaged materials etc.).

75. Low-income earners can also set up building societies to pool their resources as a guarantee to credit agencies. It is this idea which is used in site-and-services programmes. The public authorities will intervene to assist the beneficiaries.

76. In some African countries housing banks have been established with the main aim of enlarging on the policy of credit for social housing while promoting savings schemes for building. Experience has unfortunately shown that these banks have considerable difficulties in attaining that objective. Here, once again, the government has to intervene to ensure that loan terms are in keeping with the debt capacity of low-income groups.

(d) Involvement of the private sector in the supply of land for housing

77. This has two objectives:

(i) To avoid the proliferation of unsavory houses around industrial plants or major enterprises that often occurs. The low-income earners of such enterprises often like to live close to their place of work. They are therefore at the mercy of all kinds of land speculation, which often takes place without the knowledge of the public authorities. Informal activities associated with the presence of an industrial plant also spring up. A slum results if things are not organized properly;

(ii) To force the private sector to participate in the Government's urban development activities.

78. The private sector can become involved when the industrial plant is being established. The promoter includes in his brief the provision of serviced sites or even houses for the staff. Once such houses have been built they can be made available on hire purchase, taking wage and salary levels into account. In the case of serviced sites, plots can be sold to the staff on easy terms. The promoter will also act as guarantor to credit agencies for housing loans to his staff. The government will make available to the promoter the land required for the industrial plant and the housing site and will assi t in the implementation of his programme.

(e) Security of tenure for squatters

79. The reason why a considerable portion of low-income earners settle on public land without prior authorization from the aut'orities is the difficulties they have in obtaining access to housing and developed-plot pro ammes. In Africa such illegal occupancy of public land is often the result of illegal sales by former customery or traditional owners who refuse to abide by the constraints of the new land laws.

80. In some countries legal provisions on effective possession stipulate that occupation of a plot for a certain length of time confern rights to the plot on the occupant. In other countries such occupation is considered illegal and simply terminated in the event of public necessity. The occupants are transferred to resettlement zones which are hastily developed for that purpose. This type of operation often generates urban strife with the people concerned refusing to move.

81. A regulation can be passed forbidding the demolition of illegal houses without replacement and the original occupants can be given priority in the allocation of the new housing. It is unfortunate to note that the prices of such housing are often beyond the means of low-income groups. It must be recognized that in spite of their poor quality, spontaneous settlements give the poor somewhere to live. When they are destroyed the overall number of housing units decreases, leaving people homeless. A regulation such as the one proposed could, on the other hand, oblige promoters to provide serviced land and guarantee access to housing loans for the people displaced at rates proportionate to their debt capacity. The resettlement zones should also offer conditions as attractive as in the former settlement if not more so. Another way of avoiding the destruction of illegal housing would be to refurbish the impromptu settlement. This would involve reorganizing the site by clearing the land required for roads, various amenities and community facilities. Such a scheme would make it possible to leave a considerable number of people where they were and preserve certain social habits. In such a case the people needing to be resettled are fewer. Growing political, social and economic pressure in African countries is making public authorities turn to this type of operation which in itself is an alternative way to legitimize certain types of occupancy.

82. The following measures provide a means of controlling land occupation:

(i) Establishing a methodology for drawing up plans of urban areas in conjunction with the economic and social development of the towns concerned;

(ii) Developing plans of urban areas and peripheral zones;

(iii) Involving the people heavily in the preparation and implementation of such plans;

(iv) Establishing the legal, technical and financial instruments for carrying out such plans.

(f) Government intervention in the prices of land

83. Throughout this document we have seen that in most African countries the authorities have problems controlling the prices of land and preventing land speculation, especially in urban areas, despite the efforts they have made. The often high prices lf land may jeophrdize public town planning schemes. The authorities must therefore intervene in land prices through mechanisms and regulations to control their growth. The following measures could be adopted:

(i) Establishing a mechanism for recording urban housing transactions;

(ii) Appropriate taxes on the value-added of urban land;

(iii) Right of pre-emption by the Government with respect to urban housing transactions;

(iv) Appropriate pricing mechanisms in cases of expropriation for public purposes.

(g) Increasing Government involvement in land development

84. Such involvement has two main objectives:

(i) To control the development of urban areas by ensuring compliance with land occupation plans;

(ii) To force down the cost of land development. The cost of land for low-income housing can be brought down using the principle of "crossed subsidies" in the development projects. Public authorities are making increasing use of "crossed subsidies" in land development projects for low-income groups. The serviced-site-scheme in Dakar where some plots were developed for high-income earners and sold at market prices to offset the initial cost of the land is a case in point. In other cases, rented charges on developed infrastructure can bring down the price of land in the original settlement.

85. Co-operation between the public and private sectors makes for efficiency in land development projects and decreases the risks when such projects are implemented. Sometimes the Government may not be in a position to develop land effectively either because of red tape or because it lacks the skill or experience required. Co-operation with the private sector may enable it to implement land development projects more rapidly and efficiently, strengthen its confidence in land development and thus lead to a greater supply of developed land.

B. Action at the international level

86. Measures taken at the international level can only supplement national measures on housing policies for low-income groups. Action initiated at the international level cannot succeed unless it is carried out in close collaboration with the appropriate national services. Action at the international level could include:

(a) The establishment of a data bank on this topic;
(b) The pooling of information and experience;
(c) The training of manpower;
(d) The implementation of pilot projects.

(a) Establishment of a data bank

87. This involves establishing a network for collecting data on the various national land policies on housing for the poor. ECA will co-ordinate the preparation of national monographs and the collection of information on the agencies and persons responsible for matters relating to land for housing low-income groups. Such data will be periodically up-dated, processed and be available at ECA which will disseminate them to all States.

(b) Pooling of information and experience

88. This involves collecting data on world-wide experience in land policies for low-income housing particularly in the third world countries, developing contacts and communication among specialists, politicians and administrators dealing with the question, and helping the countries to identify and solve their problems in this area. Informati n can be collected and diseminated through publications and seminars. ECA could establish this network for exchanging information and experience in co-operation with UNCHS.could

(c) Training of manpower

89. A study published by ECA on Developing and improving training in the area of human settlements (1985) showed the need to develop the training of human settlements personnel. To do this, it is recommended that existing training institutions should be used to encourage co-operation among institutions. African countries should co-operate regionally in developing training in this area. Similarly, training courses can be organized by holdin seminars and publishing teaching manuals. Two types of training, long- and short-term could be developed simultaneously to train fresh manpower and retrain manpower already on the job. The seminars will enable specialists from different countries with similar economic systems and facing the same problems in varying degrees to pool their experiences.

(d) Implementation of pilot projects

90. Pilot projects on land policies for low-income housing can be carried out by ECA in collaboration with member States. They will cover various aspects of land policies: such as the re-allocation of urban land, land development, soil conservation and the promotion of low-cost housing. Member States will apply to international financial

agencies for assistance in securing the funds for such pilot project. ECA can provide the technical assistance necessary. ECA could convene a conference on the pilot projects in member States relating to land policies for low-income housing, to review States' experiences and enable each to benefit from the experiences of the others.

91. Various types of international action may be undertaken. As the land question affects various areas of the national economy, any policy concerning land should be comprehensive.